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Probe may go overseas

Panel mulls checking IranCon in other lands

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WASHINGTON — The chairman of the Senate's IranCon committee held open a possibility yesterday that the probe of the Iran-Contra arms deal would extend to foreign governments, including Israel, Switzerland, oil-rich Brunei and possibly Iran itself.

Meanwhile, independent counsel Lawrence Walsh appeared close to asking that a federal grand jury be empaneled to delve into U.S. arms sales and public and private support for the Nicaraguan rebels.

Chairman Daniel Inouye (D-Hawaii) said his select committee might send probers overseas as part of its effort to get a complete picture of the attempt to sell arms secretly to Iran and funnel profits from the sale to the Contras.

Inouye insisted that any such travel would be closely coordinated with the State Department so that normal diplomatic channels would not be circumvented.

Meanwhile, there were these other developments:

Senate Intelligence Committee sources confirmed a CBS News report that two major deletions from the panel's secret report on its IranCon probe centered on portions of the narrative that could be embarrassing to the Reagan administration.

One five-page deletion related to a meeting last July in Jerusalem between Vice President Bush and Amiram Nir, a counter-terrorism adviser to the Israeli government, during which Nir gave Bush a detailed briefing on U.S. arms-for-hostages swaps.

Bush's office said the session had been arranged at the behest of Lt. Col. Oliver North, ousted White House aide who allegedly masterminded diversion of cash from arms sales to Iran to the Contras in Nicaragua.

A second deletion involved a letter from Israeli Prime Minister Shimon Peres to President Reagan, urging him to continue his quest to create better relations between the U.S. and Iran.

Sen. David Durenberger (R-Minn.) has said he, not administration officials, authorized the deletions.

However, it was clear that more than a dozen officials from the White House, the CIA, the National Security Council, the Pentagon and other agencies had reviewed the panel's report and it was "sanitized" to prevent disclosure of valuable intelligence information.

about the source of the diverted funds. Senate Intelligence Committee sources said the panel's secret report

had concluded that the diverted money to the Contras had not come from Iran but from middlemen who were bilked during financing of the arms deals.

About half the \$15.7 million put up by financiers led by Saudi Arabian billionaire Adnan Khashoggi vanished after being put into Swiss bank accounts controlled by North and his associates.

The Daily News has reported that committee sources believed North had conceived the cash diversion to the Contras as a "foan" that would be repaid once Congress reauthorized military aid to the Nicaraguan rebels.

However, repayment of the "loan" could never be made because the Iranian arms sales and the diversion scheme were expessed in November.